

commodities included in that treaty. What we are asking in the amendment as submitted is to be permitted by order in council to give to Great Britain the favoured nation treatment we give to other countries. The amendment I should like to move is to enlarge the arrangement so as to enable us to give that treatment to any country, because at the present time there are negotiations with other countries which I believe will result in our arriving at an understanding in the near future but probably not before parliament rises. In that event we would be able to grant favoured nation treatment to those countries. The obvious advantage would be that we could immediately give to the mother country the same treatment as we give to other countries should this resolution pass in its present form. Seven, eight or nine months might pass before a new parliament would be summoned and our hands would be tied in the meantime. It is not only a question of the lack of opportunity to grant the same treatment to Great Britain during that period of time, but the committee will understand that once a trade agreement is entered into and business arrangements are effected and trade channels are formed it is not always so easy to retrace your ground.

Mr. ELLIOTT: Would it be possible under the order in council to increase the duties?

Mr. RHODES: No, it is all a question of lowering the duties. The order in council as provided for in resolution number one would merely permit us to give Great Britain or any other British country the same favoured nation treatment as we give to any other country. Referring back to the case I cited, that of Poland, it would enable us to immediately place any British country upon the same level.

Mr. ILSLEY: What the minister says is correct in connection with (i), but what about (j)?

Mr. RHODES: We are using precisely the same verbiage as is now in the statute; give or withdraw, as the case may be.

Mr. STEWART (Edmonton): I know the government have taken extraordinary powers, but it has not the power to put into effect a treaty which affects tariff schedules with another country without confirmation.

Mr. RHODES: There are no schedules in connection with the trade agreements made with a number of countries; the wording is, "favoured nation treatment." As the matter stands at present we are unable to give that favoured nation treatment by order in council to any British country or any other country.

[Mr. Rhodes.]

Mr. STEWART (Edmonton): I would expect that. I am not aware of the extent to which the government has taken the authority to enact by order in council what is nothing more or less than legislation, and I want to be clear in connection with this matter. For example, the government might negotiate a treaty with Poland which provided for favoured nation treatment, but that treaty would not go into effect until ratification.

Mr. RHODES: Quite so.

Mr. YOUNG: I understand we are amending this chapter by adding these two paragraphs. If paragraph (j) is already in the act it would not need to be in the resolution.

Mr. STEWART (Edmonton): If you have power to do one thing you must have the power to do the other. If you have the power to make a treaty of this kind with Poland, to give favoured nation treatment without reference to parliament, then you would not need this power to give the same treatment to Great Britain.

Mr. RHODES: I do not think my hon. friend has expressed himself as clearly as he did before. We will admit that we have a treaty and that it has been ratified by parliament. We would then have to turn around and make a specific treaty with the mother country. If we can do that by order in council we shall have the benefit of all the intervening months before parliament sits. But as I said before, I should be quite content to have it stipulated that where we made it applicable to another country the order in council would have to be presented to parliament within fourteen days of the opening of the next session.

Mr. STEWART (Edmonton): That is no protection.

Mr. RHODES: In order that it could be ratified. It is merely a question of our having the facilities for entering into trade agreements with the least possible delay. I cannot see any serious objection to that.

Mr. STEWART (Edmonton): Assume that ratification has taken place and then it is discovered that there are items which affect the British preferential tariff; it is that that the minister wishes to cure.

Mr. RHODES: Great Britain has never had the benefit of favoured nation treatment.

Mr. RALSTON: As I understand section 4 of the Customs Tariff, it permits the governor in council to extend or withdraw the benefits of the British preferential tariff or to extend or withdraw the benefits of the intermediate tariff. After a trade agreement